

Groundbreaking held for Lakeland Central Park, 740-acre industrial development

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LAKELAND — Lakeland officials and business leaders gathered Friday morning in a former cow pasture to break ground on a new 740-acre industrial park.

Orlando-based Parkway Property Investments will begin its first phase of construction for Lakeland Central Park, a speculative 5 million-square-foot industrial complex spanning from Old Tampa Highway to Airport Road in West Lakeland. It's an estimated \$400 million economic investment.

"As Publix knew best, if you want to serve Florida, this is the place to do it from," said Jim Heistand, Parkway Property's president and CEO.

Parkway Property purchased the vast swath of undeveloped land in partnership with Silverpeak, a New York-based investment firm, in December 2019 for about \$10 million. The location immediately caught the developers' attention given its proximity to I-4 and the Polk Parkway, according to Heistand, putting 18 to 20 million residents within a day's drive.



"If you look around here, it's sat vacant for a while," he said, "It's sorta a hole in the donut."

The site is surrounded by some of Lakeland's largest corporate headquarters and distribution centers including Publix Supermarkets, Rooms To Go and Southern Glazer's Wine and Spirits.

The first building to be constructed will be a 708,000-square-foot industrial space with parking for about 460 cars, according to the park's website. It is estimated to be available by July 2022. There are no signed tenants for the park yet, Heistand said.



The industrial logistics park will be relatively low density compared to traditional industrial parks residents may have seen, Heistand said. The site has scattered wetlands that will not be filled in.

"As we have all this land, we plan to make it very attractive and turn these wetlands into water features," he said, pointing out a diagram featuring paved walkways around lakes.



The first phase of construction will total about 1.3 million square feet of industrial space with an estimated price tag of \$175 million to \$200 million, Heistand said. He said Parkway Property has secured financing and is happy to build faster if there's enough market demand.

Steve Scruggs, executive director of the Lakeland Economic Development Council, said he thinks there will be strong demand, as the city absorbed 3 million square feet in 2020.

"Lakeland is the No. 1 place people are looking for e-commerce," Scruggs said. "It's no secret that this whole pandemic has an e-commerce wave of business for our market."

Amazon, which started air freight operations out of Lakeland in June, and now is reportedly looking to expand.

"This property is so ripe to do precisely what you want to see happen here," Mayor Bill Mutz said. "We will see some remarkable development here."



Mutz said the City Commission is enthusiastic about Parkway Property's plans to build about 500,000 square feet of commercial, retail and multifamily housing on the southeast corner of the property adjacent to airport road.

This residential portion will be part of Phase 2 construction, Heistand said, with no date set for construction yet. Heistand said the precise design of this section is still very flexible, and whether it's constructed into townhouses or multifamily apartments will depend on market demand.

Heistand said the developers are keeping a watchful eye on adjacent tracts of undeveloped land that they might have an interest in purchasing for future expansion if the opportunity arises.

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